

**CARMICHAEL RECREATION AND PARK DISTRICT
MINUTES: ADVISORY BOARD OF DIRECTORS
DECEMBER 18, 2014 REGULAR MEETING**

Directors: Arredondo-Carroll, Borman, Dax-Conroy, Rockenstein, and Younger

CALL TO ORDER: The regular meeting of the Carmichael Recreation and Park District Advisory Board of Directors was called to order at 6:00 p.m. by Chairman Rockenstein

ROLL CALL:

Directors Present: Arredondo-Carroll, Borman, Dax-Conroy, Rockenstein and Younger
Directors Absent: none
Staff Present: Smith, Kerth, Maddison, and Penney
Staff Absent: none

PLEDGE OF ALLEGIANCE – Boy Scout Troop 55 Leader led the Pledge of Allegiance

PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN DISTRICT JURISDICTION ON ITEM(S) NOT SCHEDULED ON THE AGENDA –

Jim Baker: resident. Said that for the past eight months he has requested information from management and the Advisory Board; that at the November 20 meeting he was told by the Administrator and Advisory Board to schedule a meeting with staff to receive an answer to the ongoing request; on December 2 he sent an email to schedule the meeting; on December 2 he received a response stating that prior to scheduling the meeting he would have to provide private information about his family and friends; he provided information about himself; on December 11, he received an email that stated that because of the information that he disclosed he has been denied based on instruction from District attorneys. He asked whether the District was also instructed by its attorneys to require private information prior to scheduling a meeting discuss any and all public information.

John Butler: resident. Addressed the Advisory Board regarding recent tree pruning in Schweitzer Grove Nature Area. Commented that the initial work was done well; however, the latest work was not. Reported that one of the CCC crew cut across his property to enter the park, several crew members proceeded to cut oaks and lay them on the ground, cut the tops out and leaving a pile of brush behind.

Victoria Davi: nonresident. Shared a follow up of her comments at the November 20, 2014 meeting; concerned that while her verbatim statement was printed as attachment to the minutes they were obscured because of how the pages were numbered. Requested that the page number on which her statement content is found to be included parenthetically with the mention of the attachment on page 1 of the minutes; that the document page numbering reflect all nine pages. She reported that she complied with the request to submit a public request and it was denied. She is still looking forward to a response.

CONSENT ITEMS:

1. **MINUTES**
November 20, 2014 – Regular Meeting
2. **FINANCIAL STATEMENT**
October 2014
3. **ACCOUNTS PAYABLE**
November 2014
4. **ACCOUNTS RECEIVABLE**
December 2014

Motion 1

M: Younger S: Borman – The Advisory Board voted to pull the minutes off the Consent Items for further discussion.

Vote: Unanimous

Motion 2

M: Younger S: Carroll – The Advisory Board voted to approve the Consent Items 1 – 4, as amended, that the Item 1 - minutes be revised by repagination.

Vote: Unanimous

CORRESPONDENCE: None

NEWSPAPER ARTICLES:

Carmichael Times –

November 20, 2014: *Circle the Wagons, Park food Events Keep on Truckin’;*
Announcements & Event: Holiday Magic Show

November 27, 2014: *Switched On for the Holidays, CRPD Holding Holiday Food Drive;*
Announcements & Events: Boys/Girls Elementary Basketball, Holiday Tree Lighting

December 4, 2014: *Announcements & Events: Boys/Girls Elementary Basketball, Holiday Tree Lighting*

SPECIAL PRESENTATIONS: None

For the record: Action 1 was moved ahead of reports.

ACTION ITEM

1. DISTRICT AUDIT OF FINANCIAL STATEMENTS (Smith/Penney)

Penney provided background of the selection process, introduction of the auditing firm and auditor who performed the audit, and audit process.

Ralph Marcello presented the report, Financial Audits of June 30, 2011, 2012, & 2013. He stated that District personnel were very cooperative and knowledgeable and that the assistance provided by Ingrid Penney made it possible to keep the Financial Audit fee low. They encountered no Significant Difficulties in performing and completing the audit. The accounting records were found in good condition. There were no disagreements with management concerning the accounting records.

The Scope of the audit was the District’s Financial Statements. The audit was conducted in accordance with the American Institute of Certified Public Accountants Generally Accepted Auditing Standards. The District’s financial statements were presented in accordance with Presentation Standards promulgated by the Governmental Accounting Standards Board.

They recommended that the District not prepare the GASB’s Management’s Discussion and Analysis due to the 20 to 30 estimated hours of time requirement to prepare a document for data that is over four years old. All such data has already been supplied to the District’s Advisory Board and the public at monthly board meetings. He acknowledged that Management was reluctant to omit this document but insisted on preparing and presenting it with their June 30, 2014 audit. The omission of the Management’s Discussion and Analysis letter did not affect their Audit Opinion.

The “deliverable” in a Financial Audit is the Independent Auditor’s Report. Their Independent Auditor Report opinion states that the financial statements are presented “fairly” which is highest rating that can be obtained in an audit by a Certified Public Accountant.

There were a few accounting issues regarding the recording of capital asset dispositions and additions.

The District does maintain on file, all capital asset purchase invoices and construction contracts since its inception. Per an agreement in the 1980s between the District and Sacramento County, the County agreed to maintain capital assets records. Marcello and Company’s recommendation in regards to this issue is that the District maintains their own capital asset records since the County has also had to cut back on positions since the

recession a few years ago.

In regards to the County Auditor's recommendations as a result of their 2010 audit, Marcello and Company determined that some of these recommendations have been implemented, some were of an immaterial nature, and others were outside the scope of a financial audit.

On page 4 of the financials, the District reports their Statement of Net Position, historically referred to as the Balance Sheet. The total assets of the District have increased over \$2 million in the past several years due to remodeling of the La Sierra Community Center the District's completion of two park improvements. Funding for these additions was primarily provided by government loans. These loans are being amortized and should be paid in full by FY2017-18.

As they've seen with other government clients, property tax revenue has stabilized and is starting to show signs of a modest increase. The District's appropriations are still approximately half a million under what they were in year 2009. Many of their government clients are still having Furlough days once a month. According to the Bureau of Economic Analysis, the economy experienced a 1.9% increase in the gross domestic product in year 2013. Consequently, governmental revenue is not expected to increase more than that in fiscal year 2014-15. On the bright side, with very low interest rates, several government clients are taking advantage of the low rates to borrow money for capital improvements and refinance existing debt.

Victoria Davi: nonresident, called to attention that when the County audited the CRPD's financial records covering 5 years, FY 2006-07, 2007-08, 2008-09, 2009-10, each audited year had management discussion and analysis statements included. She expressed concern that CRPD's financial audit report for FY2010-11, 2011-12, and 2012-13 does not contain management discussion and analysis statements that are required to be completed for each audit. She cited Government Code 26909. Said that the finance auditor states that we are not in compliance with the governmental accounting standards, "At our recommendation, management has omitted *management's discussion and analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context." She recommended that the Advisory Board review the prior audits management discussion notes.

Advisory Board members followed up on the same. Ralph Marcello reiterated his position and rationale for recommending that the management's discussion and analysis be omitted.

Motion 3

M: Younger S: Borman - The Advisory Board voted acceptance and approval of the District audit report – FY2010-11, 2011-12, and 2012-13.

Vote: Unanimous

REPORTS

1. ADVISORY BOARD MEMBER REPORTS

Advisory Board members reported on activities of interest to the District.

Director Carroll shared how wonderful their event was, the annual Christmas food drive with Santa at Jan Park.

Directors Borman, Younger, Conroy all commented on the annual tree light event. They complimented staff on the use of the tennis courts, which was dry and improved lighting.

2. STAFF REPORT

Staff reported on current District operations, projects, and events

Tracy Kerth: Reported that there were several special events during December; annual Tree Lighting, Silent Sleigh program for the deaf and hard of hearing children throughout the region, and the magic show.

Programs:

Kid's Hangout – Telly and Nate organized our 1st KHO Toy Drive for the UC Davis Children's Hospital. They set the goal of 60 soft new toys to be donated by program participants, families, and friends. They will be collecting toys until Friday and then will be delivering them to the hospital on Saturday!

Tiny Tots had their Holiday Celebration for all the participants 4-5 year olds and their families – Approximately 50 people

Elementary Boys and Girls Basketball –
Started practices and games this month – 135 participants

Middle School Boys Basketball –
Continued practices and games – 86 participants

New Program – Youth Futsal Clinics
Partnering with Dan Cox who formed the new Carmichael Futsal Club.
Similar to indoor soccer; having 3 clinics – the first being Tuesday, 12/23. Already have 20 kids registered!

Keith and Tracy completed a facility walk-through with the Carmichael LL, improving communication; identifying needs and projects planned.

Upcoming Programs Starting Next Month:
Adult Sports Winter Leagues are starting after the new year
Pee Wee Basketball League starts January 17th
Middle School Girls Basketball starts January 28th

Continued Programs Next Month:
Elementary Basketball
Middle School Boys Basketball
Youth Futsal Clinics
KHO
Tiny Tots

Keith Maddison: Provided division highlights for December

La Sierra Community Center

Tree Removal: Staff removed two problem trees at the east end of the 700 wing.

Roof Leaks: Staff patched leaking roofs on Johnson Gym, Kids Hangout, suite 170, suite 200, suite 625, two on the 700 wing, 3 on the 800 wing.

Villareal Gym Roof Project: Staff is waiting for better weather to complete the removal and replacement of the Villareal Gym upper roof.

Carmichael Park

Holiday Display: Staff assisted the Recreation Division with the installation, decoration and preparation of the holiday display.

Veterans Hall Play Area: Staff replaced 9 bench boards and two picnic table boards.

Veterans Hall Roof Leak: Staff patched a leaking roof over the Tiny Tots room.

Tennis Court Lights: Staff replaced three tennis court lights while we had the rental boom lift that was used for the holiday display.

Bird Track Park

Tree Removal: Staff removed a large tree that fell during the storm last week. The tree fell in an area that did not cause any collateral damage.

Cardinal Oaks Park – Graffiti - Staff removed substantial graffiti from the site.

Jan Park – Graffiti - Staff removed significant graffiti from the site.

Patriots Park – Graffiti - Staff removed extensive graffiti multiple times from the site.

Schweitzer Grove Nature Area

California Conservation Corps, Fire Fuel Reduction Grant: The work associated with this grant has been completed. The estimated staff time expended on this project is 160 hours. The estimated Conservation Corps staff time expended on the project is 700 hours.

District Wide

Play Area Shade Sails: Staff removed shade sails from the play areas at Patriots Park and O'Donnell Heritage Park.

Tree Survey: Staff is continuing to work with the contractor that is conducting the tree survey associated with the Cal Fire Grant. The contractor has been surveying trees located in Patriots Park and Carmichael Park.

Sheriffs Work Program: The Park District received the services of 5 buses during this reporting period. The buses were used for raking and leaf removal at La Sierra Community Center, Carmichael Park and Glancy Oaks Park.

Ingrid Penney:

Reported that the Conflict of Interest Code revisions approved by the Advisory Board have been submitted to the County for review. The Board of Supervisors will likely hear the item sometime in January 2015.

Completed replacement of six CPU's, planned in the budget.

Staff updated payroll records for year-end changes. COLA and benefit rates changes will be effective January 1, 2015.

Management and Supervisory staff attended mandatory training, Preventing Harassing and other EEO Issues, AB 1825 Compliance Training.

Tarry Smith:

Reported on new legislation; requiring payment of prevailing wages for public projects of \$1,000 or more; current minimum is \$5,000 and more.

ACTION ITEMS:**2. OFFICE HOLIDAY SEASON SCHEDULE (Smith)**

Administrator Smith recommended having the option of closing the District Office and the La Sierra Office on the Fridays following the holidays, December 28 and January 2; staff would use leave time if they chose to take the time off; if staff wanted to work, the office(s) would remain open.

It was the consensus of the Advisory Board to accept the recommendation of Administrator Smith.

PRESENTATION ITEMS: NONE

NEW BUSINESS: NONE

UPCOMING EVENTS:

1. **Food Trucks** – Thursday, January 8, 5 – 8 PM at Carmichael Park
2. **Wayne Reimers Jazz Festival** – 33rd Annual free festival featuring local youth jazz musicians, Thursday, January 22, 6 PM, at Rio American High School, 4540 American River Drive, Carmichael

FUTURE AGENDA ITEMS

1. **Informal Bidding Policy/Procedures**

TIME AND PLACE OF NEXT MEETING:

1. **Regular Meeting**
The next regular meeting of the Advisory Board was scheduled for Thursday, January 15, 2015 at 6:00 pm, Community Clubhouse #2 at Carmichael Park.

ADJOURNMENT - The meeting was adjourned at 7:15 p.m.

Respectfully submitted,

Ingrid S. Penney
Administrative Services Manager

APPROVED BY:

ATTESTED BY:

MICHAEL ROCKENSTEIN
CHAIRMAN OF THE BOARD

INGRID S. PENNEY
Administrative Services Manager as
Clerk of the Advisory Board of Directors